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Frequently Asked Questions on the New Same Sex Domestic Partner Health Benefit

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What is the new domestic partner health benefit being offered by the State of New Hampshire Employee Benefit Program?

Beginning August 1, 2007 and continuing through June 30, 2008, the State of New Hampshire Employee Health Benefit Program will extend health benefits to certain same sex domestic partners and to their eligible children. However, to be eligible for this new benefit, you must apply by December 31, 2007.

I understand that New Hampshire recently enacted a civil union law. Will my civil union partner be eligible for benefits once that new law takes effect?

Yes. The New Hampshire law recognizing same sex civil unions takes effect on January 1, 2008. The State of New Hampshire Employee Health Benefit Program will provide health benefits to civil union partners who enter into civil unions in accordance with the new civil union law. You should apply for coverage for your civil union partner (and your partner's children) within 30 days of establishing your civil union. Additional information about health coverage for civil union partners will be provided at a later date.

How will the new civil union law affect health coverage for domestic partners (and their children)?

As of June 30, 2008, the Employee Health Benefit Program will stop providing health coverage to domestic partners and their children. Beginning July 1, 2008, same sex partners will need to be in a licensed civil union in order to be eligible for health benefits.

Which domestic partners are eligible for health benefits?

To be eligible for health benefits through the State of New Hampshire Employee Health Benefit Program, an active employee's domestic partnership must meet certain requirements. For example, the active employee and his or her domestic partner must:

- be of the same gender,
- be at least 18 years of age,
- be mentally able to consent to contract,
- share a residence,
- be responsible for each other's common welfare and financial obligations,
- not be married to anyone else or in a domestic partnership with anyone else, and

- have been in the domestic partnership with each other for at least 6 consecutive months.

The complete list of requirements is contained in the Employee Health Benefit Program Affidavit of Same Sex Domestic Partnership. [Click here Domestic Partnership Affidavit](#) to download the Affidavit.

Are opposite-sex domestic partners eligible for benefits?

No. Only same sex domestic partners are eligible for health benefits.

What health benefits is a domestic partner eligible for?

Domestic partners who qualify for benefits are eligible for the medical and dental coverage selected by the employee.

How do I prove that I have a domestic partner who is eligible for health benefits?

You and your domestic partner must complete an Affidavit of Same Sex Domestic Partnership and sign it before a notary public. This affidavit requires you both to affirm, under penalty of perjury, that you meet all the requirements spelled out in the Affidavit. [Click here Domestic Partnership Affidavit](#) to download the Affidavit.

Are my domestic partner's children also eligible for health coverage?

Yes. Your domestic partner's children are eligible for coverage if your domestic partner is receiving coverage and the children meet the same eligibility requirements that would apply if the children were your stepchildren.

How do I enroll my domestic partner (and my partner's children)?

In addition to completing the Affidavit of Same Sex Domestic Partnership (discussed above), you must complete the Same Sex Domestic Partner Health Benefit Enrollment/Change Form. [Click here: Domestic Partnership Affidavit to download the Affidavit.](#) [Click here: Domestic Partnership Enrollment Form](#) to download the enrollment form.

The originals of both the Affidavit and the enrollment form must be submitted to:

Division of Personnel, 25 Capitol Street, Concord, NH 03301.

Are there any tax ramifications of receiving health benefits for my domestic partner?

Yes. There are federal income and payroll tax ramifications to receiving this coverage. Under federal tax laws, only certain dependents of an employee may receive employer-provided health coverage on a tax-free basis. For example, an employee's opposite-sex spouse may receive health coverage tax-free. Different tax rules apply to same sex partners. Under those rules, health coverage provided to your same sex domestic partner (and to your domestic partner's dependents) will typically result in wage income being imputed to you. The amount of income imputed to you will be calculated based on the fair market value of the coverage being provided. This income, like other wage income, is subject to income tax withholding and to payroll taxes (Social Security, Medicare, and FUTA).

However, if you can provide documentation to the Division of Personnel to qualify your domestic partner as an eligible dependent for tax-free health coverage under applicable federal laws, the State will be able to provide this health coverage without imputing income to you. For your domestic partner to be eligible for tax-free health coverage, certain requirements set out in Section 152 of the federal tax code (definition of "dependent") must be met. For example, you must provide over one-half of your domestic partner's support and the two of you must live together as part of the same

household for the entire year. (Additional requirements apply in the case of your domestic partner's children.) It is your responsibility to come forward with sufficient evidence to document your tax situation. Absent such evidence, income will be imputed to you as discussed above.

Because of the complexity of these tax issues, you should seek competent legal and accounting advice before deciding whether to enroll your domestic partner.

How will the State of New Hampshire calculate how much imputed income I will have if I add my domestic partner (and his/her children) to the health plan?

The State will utilize the "working rates" of the Employee Health Benefit Program to calculate the fair market value of the benefit to be imputed to your income. Click here: http://www.nh.gov/hr/open_enrollment.html to view the current Program working rates. These are the rates charged to state agencies to cover the cost of the benefits. Where there is an actual difference in the charged working rate as a result of adding domestic partner coverage, that difference will be imputed to income. In cases in which the employee already has family coverage, the State will always impute the amount which reflects the State's cost of adding one person to Employee Only coverage.

The chart below illustrates how the State will calculate imputed income. How much income will be imputed will depend on what level of coverage you have and how many people you are adding to your coverage.

Existing Employee Coverage	Adding Same Sex Domestic Partner Only	Adding Same Sex Domestic Partner + One Same Sex Domestic Partner Dependent	Adding Same Sex Domestic Partner and Family (i.e. More than one Same Sex Domestic Partner Dependent)	Resulting Fair Market Value or Benefit (i.e. Additional Working Rate) Imputed to Wages
Employee Only	X			Two Person Minus Employee Only
Employee Only		X		Family Minus Employee Only
Employee Only			X	Family Minus Employee Only
Employee + One	X			Family Minus Employee + 1
Employee + One		X		Family Minus Employee + 1
Employee + One			X	Family Minus Employee + 1
Family	X			Two Person Minus Employee Only
Family		X		Two Person Minus Employee Only
Family			X	Two Person Minus Employee Only

When can I enroll my domestic partner (and my partner's children)?

Due to the short-term nature of the domestic partner benefit, the deadline for enrolling your domestic partner (and your domestic partner's children) is December 31, 2007. However, the sooner you take the necessary steps to enroll them, the sooner their coverage will take effect.

When will my domestic partner's health coverage take effect?

If you submit the Affidavit and enrollment form to the Division of Personnel during the month of July 2007, coverage will be effective August 1, 2007. For coverage to be effective August 1, 2007, you must send the Affidavit and enrollment form to the Division of Personnel by postmarking it no later than July 31, 2007.

For properly completed Affidavits and enrollment forms received after August 1, 2007, coverage will be effective at the start of the following month. For example, if the Division receives your completed Affidavit and enrollment form on October 10, 2007, coverage will be effective November 1, 2007. The latest date that the Division will accept Affidavits and enrollment forms is Monday, December 31, 2007.

Who should I contact if I have additional questions about domestic partner health benefits?

If you have other questions about domestic partner health benefits, please contact Sara Willingham, Manager of Employee Relations, at 603-271-3261.